

U.S. FARM SECURITY Administration. Region NINE

Report Before the Sub-committee of the Committee on Education and Labor  
by

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Introduction:

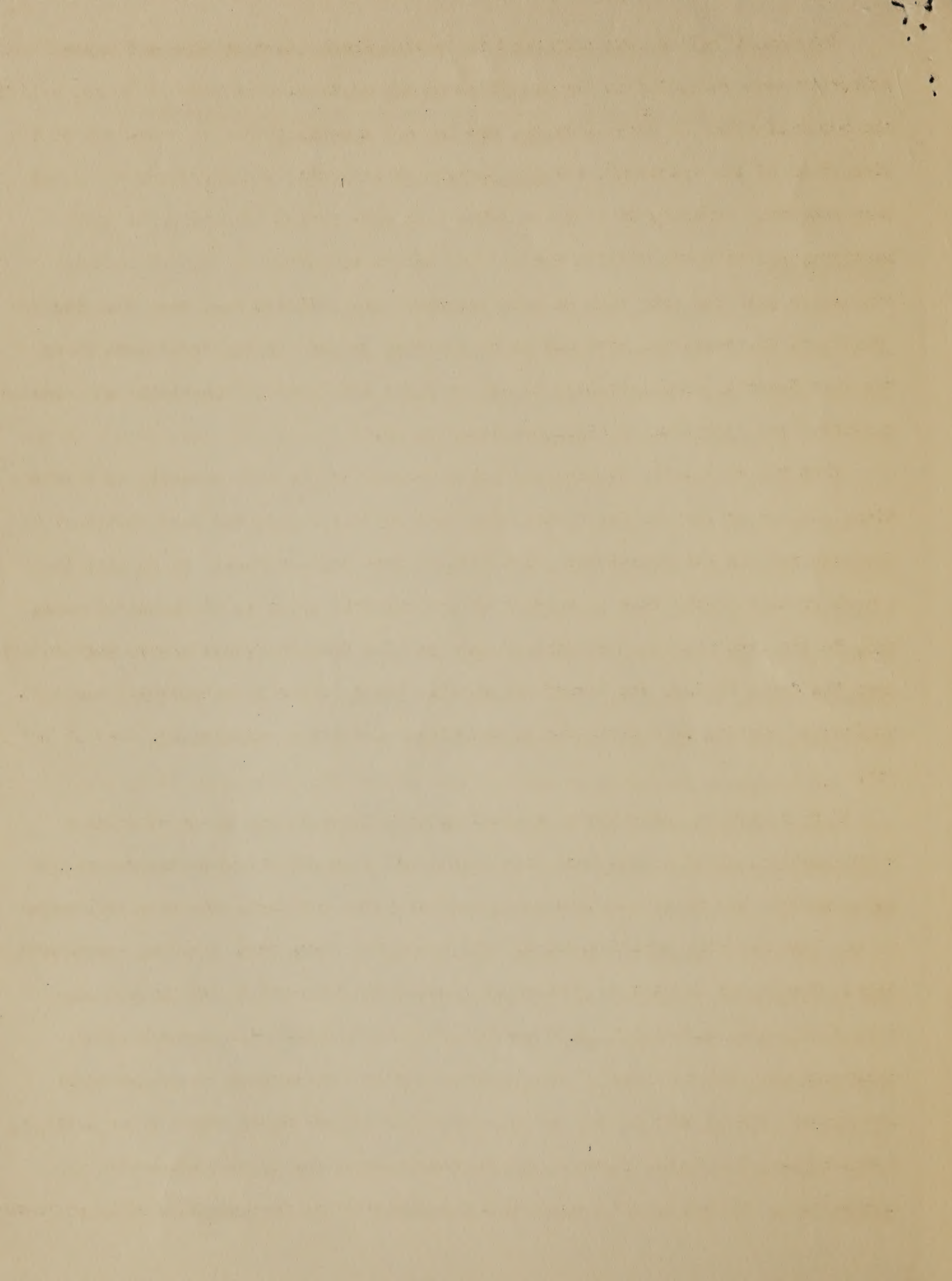
Since its inception, the present Federal Administration has taken some measure of cognizance of the interest and responsibility of the Federal Government in the special relief and rehabilitation needs of rural areas and of transient and homeless groups of citizens. The Emergency Relief Act of 1933 made available grants to the several states to aid in meeting the costs of providing the necessities of life to persons in need, as a result of the then existing emergency, and specifically required that such benefits be made available alike to residents, transients and homeless. The act was not definitive with respect to rural problems but by 1934, under its broad provisions there had been set up a special Division of Rural Rehabilitation, to consider these needs, both within the Federal Emergency Relief Administration and the several State Emergency Relief Administrations.

The Emergency Relief Appropriation Act of 1935 made available \$500,000,000 for "rural rehabilitation and relief in stricken agricultural areas, and water conservation, trans-mountain water diversion and irrigation and reclamation;..." It is to be noted that this special provision followed immediately upon the heels of the extensive drouth in the Great Plains area in 1934. The Act also authorized the President "to establish and prescribe the duties and functions of necessary agencies within the government," and under this authority the Resettlement Administration was created by Executive Order. The Resettlement Administration assumed, among others, the functions of the Division of Rural Rehabilitation which, as it happens, included the beginnings of the farm labor program which was initiated by the Division of Rural Rehabilitation of the California S.E.R.A.

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Subsequent relief acts continued to provide funds which by direct Congressional authority were channeled to the Resettlement Administration purpose of loans, relief and rehabilitation of needy persons, and through special authority exercised at the discretion of the President, for the purpose of extending and operating the labor camp program. However, it is to be noted that acts passed following the 1935 Emergency Relief Appropriation Act did not extend authority to acquire land in connection with the extension of this program. The 1939 Act did, however, give articulate Congressional recognition to the camp program by expressly permitting the Farm Security Administration to expend funds for "projects involving the construction and operation of migratory labor camps."

That the farm labor program, as now developed by the Farm Security Administration, had its origins in California, followed logically from the fact that certain technologies and labor-employer relationships were characteristic in California to a much greater degree than in most other agricultural areas in the United States; and, to the fact that the movement of farm peoples from depressed areas, particularly from the Great Plains, was toward the Pacific Coast States in substantial and noticeable numbers at a time when opportunities for their assimilation were at low ebb.

With regard to agricultural technology in California and labor employer relationships, these points have been developed at length in other reports of the sub-committee and it is only necessary here to point out their direct relationship to the Farm Security Administration. The essential facts are: 1) to an inordinate degree farming is devoted to commercial specialized production for distant and rather hazardous markets; 2) that control of farming enterprise through lease, ownership and various forms of financing is highly concentrated in a relatively few hands; and 3) that in the use of mechanical equipment and other labor saving technologies, California farmers have tended to go as far as it is possible in agriculture. Stated in philosophical terms this implies that in California emphasis





has been placed on the "efficient" production of foodstuffs and raw materials, and that the so-called social values of farm economy - impressed on the popular imagination through such shibboleths as "farming as a way of life," "the farm ladder," "every man a working farmer," or "the farm as the basis of an American yeomanry" - are negligible factors in the State's rural economy.

In the field of labor relations the symptoms of this condition are the relative importance of farm workers (59.3 per cent in 1929) in proportion to the total number gainfully employed in agriculture, and perhaps, more significant still the fact that 96.6 per cent of the farm laborers of the state are "paid" farm workers as distinguished from "unpaid," or family workers. A concomitant of this is that most employment is seasonal in nature and that there has been developed within the State of California patterns of migration that are the result of the internal economies of the state. As a consequence, it is found that the economic status of the agricultural worker is reduced through casual, intermittent and extremely uncertain employment; that his social status is reduced by assigning to him the low esteem implied in such epithets as "fruit tramp," "pea picker," and so on; and that his civic status is impaired through the general disadvantage that affects low income groups and through an even greater disadvantage in the absence of political expression by reason of his transiency and questioned claim toward the exercise of the franchise.

But on top of this the status of the migratory worker has been further affected by the influx of out-of-state migrants. The measured rate of inflow by years since June of 1935 has been:

1935	(6 months	46,013 individuals
1936		84,833 "
1937		90,761 "
1938		67,664 "
1939		63,291 "

Total - - - - - 352,562 individuals





These are not net figures since no measure of outflow is as yet available. Neither may it be said that all these migrants "in need of manual employment" turned to agriculture. But, it has been evident to qualified observers for some time that sufficient numbers of these migrants were coming into the state and moving into its agricultural areas to seriously complicate and magnify already existing problems of underemployment, relief, inadequate housing, health and education. In the mean, conditions in Arizona are identical.

In another era or under different circumstances these states might have welcomed these additions to its population. But, with conditions as they now exist, private and public opinion have increasingly insisted that these unwelcome guests are driven here by causes beyond the confines and control of the state, and that accordingly the responsibility for their well being is in the hands of the federal government. With the careful qualification that the exact boundaries of responsibility are extremely vague the Farm Security Administration, its predecessor the Resettlement Administration, and prototype the Division of Rural Rehabilitation of the F.E.R.A. have attempted through the farm labor program to give substantial recognition to this responsibility, and to their obligation, imposed by the Congress, to afford means of relief and rehabilitation to this important needy farm group.

The forms that this program has taken include:

- Camps for farm laborers - permanent, seasonal and mobile
- Labor homes for permanent occupancy
- Part-time farm corporations
- Full time farm corporations
- Relief through emergency grants and
- Subsidies to the Agricultural Workers' Health and Medical Association

I wish to offer at this time an exhibit showing the location in the two states of the facilities furnished by the Farm Security Administration in connection with this program. Exhibit A:







Farm Labor Camps:

The building of camps for migrant agricultural families was the first of the farm labor programs to be inaugurated. Two camps, one at Arvin in Kern County, and one at Marysville in Yuba County, with a capacity of 96 families each were completed and occupied by the end of 1935. Five additional camps were authorized in the fiscal years 1936 and 1937. At the present time there are thirteen permanent camps and two mobile camps available for use; four permanent and two more mobile camps are contemplated within the building program of the current fiscal year. The approximate capacity at that time will be 5,100 family units. Inasmuch as each mobile camp serves an average of three communities a year the total number of communities in intensive agricultural areas that the camps will serve in California and Arizona is 36.

To date the gross number of families occupying the camps at one time or another is 12,135. Last year with a maximum capacity of 3,300 families 6,769 families actually passed through the camps. With the present program completed it is estimated that during the course of each year not less than 10,000 migrant families embracing perhaps 45,000 individuals, will avail themselves of the camp facilities at some time during the year.

These facilities include platforms or shelters for camping space; facilities for bathing, laundering and sanitation; facilities for community gatherings and recreational and educational activities; and facilities incidental to management operations. Reference to Exhibit B will show the several facilities available at each camp.

By way of an aside, it is interesting to note that the development of the mobile camps grew out of the pragmatic experience of the Administration first, in assisting local authorities and the Red Cross in meeting an emergency flood condition in Madera County and subsequently, with the same equipment meeting emergency camp needs at Westley, Thornton and Calipatria. On the whole the facilities of the mobile camps simulate those of the permanent camps.





A by-product in the operation of the camps has been stimulation of a great variety of health, educational and recreational activities by the camp residents with the help of the management, the WPA, the NYA, local educational authorities, local churches and other interested and sympathetic groups. It is interesting to note that compared with the barren social and civic life of most migrants the average camp occupant will participate in three activities a week in the Farm Security Administration camps. Naturally, the greatest participation is in dances, movies, church services and so on, but educational handicraft and athletic activities are participated in by many.

I wish to offer here, as exhibits, a chart (Exhibit B) showing present and projected construction development, a folio on rural housing (Exhibit C) as developed by the Farm Security Administration, a statement by Dr. Omer Mills (Exhibit D) on the farm labor program, and a statement by Dr. A. E. Larsen (Exhibit E) on the Agricultural Workers' Health and Medical Association.

(Exhibits D & E to be furnished later),

#### Labor Homes:

Experience with the Arvin campers, in the Southern San Joaquin Valley, quickly showed a strong tendency on the part of many to stay within the area throughout the year. It was decided, therefore, to erect a few small homes, with a subsistence garden attached, to measure the effects of low rent housing on the stability of this farm labor group. Twenty were completed and opened for occupancy at the Arvin camp site on December 15, 1937. Their enthusiastic reception by the workers and the notable expansion of rural slum colonies filling the same general purpose led to the expansion of this program by an additional 80 homes in California in the fiscal year 1937-38, an additional 186 in California and Arizona in the fiscal year 1938-39, and a contemplated total of 718 by the end of the current fiscal year, with 210 in Arizona and 508 in California. Fourteen areas in all are served by these labor homes.





These homes provide a combination dining room, living room and kitchen, and two small bed rooms. Inside plumbing, electric lights and in some areas, natural gas for cooking and heating, are the utilities furnished. Utilities costs are included at the present time in the monthly rental charge of \$8.20.

Reference should be made to Exhibit C for floor plans and community layouts as they have undergone development in connection with this program.

Farm workers with work experience of not less than one year in the vicinity of the labor homes and anticipated incomes of not less than \$400 nor more than \$1,000 per year are eligible for occupancy in the labor homes.

#### Part-Time Farms Program:

On certain sites selected for the farm labor camps, sufficient land has been secured to permit the introduction of farm operations on a fairly economic basis. At the same time experience with the labor homes has shown that the earnings of occupants has tended toward the minimum rather than toward the maximum amount required for eligibility. Also regulations of the government virtually make mandatory eviction proceedings in the event of delinquencies. To lessen the rigours of this situation and to capitalize on the use of the available farm lands the Part-time Farm Corporations were conceived. Under this plan the occupants of the labor homes form a corporate association that leases from the government the farm property and the labor homes "en bloc". The general leasing and operating arrangements are closely patterned after the full-time farm corporations.

Income of the association derives from two sources: rental of the homes to the individual members and the income from farm operation. Rental to the government is sufficient to cover interest on the investment, payments in lieu of taxes, and the costs of maintenance and upkeep.

As originally conceived, it was not the intention that the farm should provide work opportunities in any material degree to the members of the association. Their primary economic livelihood was to be derived from pursuing their occupation as





farm workers on farms in the area. The chief advantage accruing to the Association members was the possibility of a more flexible rental arrangement between the association and its members than could possibly exist between the occupants and the government. A further advantage that has developed is that in some instances a sound farm operations plan is consistent with the production of farm products for direct retail consumption by the members and campers at prices within their means. The production of dairy products, for example, has materially expanded the diet of this farm worker group.

Inasmuch as employment opportunities in the operation of the farms are extremely limited such net earnings as are available for distribution are divided on a patronage basis between members consuming the farm products.

The first farm and labor homes unit of this type was established at Chandler in Arizona, in 1938. During the last calendar year three additional associations were formed in California; at Indio, Thornton and Yuba City. Due to the fact that funds available for land purchase are limited this development is not possible at all labor homes sites but during the coming calendar year associations are under consideration for three additional locations to be set up at Gridley, Firebaugh and Winters in California and at the Coolidge and Yuma sites in Arizona.

#### The Full Time Farm Corporations:

The Full-Time Farm Corporations initiated by the Farm Security Administration are regarded, as yet, as experimental projects. Two are in existence, one at Casa Grande, Arizona, with 57 members, and the other at Visalia, California, with fifteen members. Both were incorporated in the early summer of 1937 but in each case the calendar year 1939 is regarded as the first year of substantial operations.

To the extent that the net earnings of the enterprises are distributed among the employees of the farm, both members and non-members, and subject to certain restrictions agreed to in the contract between the government and the association to the extent that the board of directors of the association transacts the business of the farm and the association, the experiment resembles a producer's cooperative.





But the primary intention of the government in these experiments has not been to test producer's cooperation, but to test the value and influence of certain forms of operation on the amount and division of farm income; on the creation of social values in rural life; and as a guide to policy in the distribution of public lands.

The aspects of the experiments that are of particular interest deal first, with the operation of land as a single farm unit with the expectation of securing the advantages of the development and operation of large-scale farm enterprises, second, with the development of a village type community for the association members rather than scattered farmsteads, through which device certain economies in the provision of utilities was achieved and, it is believed, a richer type of existence; third, with the occupation of the land and permanent capital equipment on a sliding rental basis thereby eliminating the menace that the necessity for liquidating heavy capital indebtedness holds for most farm enterprises; fourth, with the attempt to combine full time employment for the association members with efficient farm operation; and fifth, with the attempt to maintain adequate wage and labor standards for all persons, members and non-members, employed on the farm.

Time permits only an enumeration of these objectives. For a more complete and critical analysis the sub-committee is referred to the report presented to it by Walter C. Packard, entitled, "How Could the Policies of the National and State Governments, with Reference to the Settlement of Publicly Owned Lands, be Adjusted to Meet the Migrant Labor Problem."

#### Farm Security Administration Grant Program:

The Farm Security Administration grant program was begun in February 1938. More than two years had elapsed since the Federal Transient Service had ceased to give aid to transient families and during this period approximately 50,000 families (more than 200,000 persons) dependent upon agricultural labor for a livelihood had come into California and a proportionate number not definitely known into Arizona. In January heavy rains, resulting in serious floods, had stopped practically all





agricultural operations and thousands of transient families who had recently come to California to participate in the large cotton harvest of 1937 were stranded and in extreme distress. County hospitals and welfare departments were heavily burdened with the care of the sick and needy which they declared ineligible to aid but which were nevertheless given limited assistance on humanitarian grounds. County aid, however, was entirely inadequate and uncertain and to meet the critical conditions which had developed FSA funds were made available and grant offices were opened throughout those parts of California where the transient population had concentrated for winter residence. In March, the grant program was extended to Arizona where conditions were fully as serious as in California.

In 1938 and 1939 since this type of assistance was started an additional 2,911 families (131,026 persons) have entered California to share in the seasonal labor and further reduce already low family incomes by dividing total wage payments into a greater number of parts. The same thing happened in Arizona, particularly during the 1939 cotton season when an excessive number of cotton pickers moved into the state from the east, particularly from Texas, Oklahoma and Arkansas. Consequently, the program has been continued and the case load has grown from an April peak of 9,673 in 1938 to a December peak of 11,816 in 1939, and to a new high of approximately 15,000 as of January 25, 1940. From the beginning of this type of assistance until the close of 1939, 39,549 families (177,971 individuals) in the two states of California and Arizona, had received aid through this grant program at a total cost of \$2,527,283.

Grants are given only to agricultural families which have not yet acquired state residence entitling them to state relief. In Arizona, three years residence within the state is required for eligibility to state aid. In California, the residence requirement is one year.

Soon after the beginning of the program, food warehouses were opened at most of the grant offices and since then, groceries have been bought wholesale and the





food allowance for each family has been issued in kind. This procedure was instituted because it was discovered that most agricultural families do not seek aid until they are entirely destitute and hungry, and unable to wait for a week or more for the delivery of a check. Later blankets, tents and a few other items generally needed were bought in large quantities and distributed through the warehouse. Approximately 17,000 blankets and 6,000 tents have been purchased for distribution and 25,000 pairs of army shoes have been acquired by transfer from army depots for distribution.

Since the advent of the food stamp plan under the Federal Surplus Commodities Corporation, work has been started on a plan to issue food stamps instead of commodities for the regular food budget. Such an arrangement will permit the discontinuance of bulk purchases of foods and the operation of warehouses and will enable needy families to get their groceries through regular channels of trade on the day they receive their grants.

The Agricultural Workers' Health and Medical Association:

The emergency grant program brought to many of the migrant families of California and Arizona assistance in the form of food, shelter and clothing but its procedures were inadequate to providing necessary medical assistance. The pyrotechnics illuminating this need were the sporadic epidemics of typhoid fever, small pox, scarlet fever and other communicable diseases occurring in the migratory labor group and threatening alike the well being of migrant and residents. Less spectacular, but in greater volume and of equal importance from the health point of view, were ill and malnourished children, pregnant women denied necessary medical care, and wage earners whose economic power was threatened with acute medical conditions. To meet these needs there were the unpaid services of individual physicians, over-burdened county facilities, the preventive health program of the State Department of Public Health and the limited services of the State Relief Administration to those eligible for that particular form of relief.





In order to meet the peculiar needs of the situation more nearly adequately a new agency was established. The Agricultural Workers' Health and Medical Association, a non-profit corporation, was created in March of 1938 with representatives of the Farm Security Administration, the State Medical Association and of the State Department of Public Health serving as its directorate. Eligibility for medical service available through this agency is limited to persons with an agricultural occupation who have resided in the State of California for less than one year or in the State of Arizona for less than three years. Services provided include home care, office care, hospitalization, provision of drugs, emergency dental care, special diets and, in rare instances rehabilitative appliances. Medical care has been rendered through the panel method modified by the use of diagnostic and treatment centers.

The Association has met adequately all the health problems which have come to its attention and after twenty months' experience, it can be safely said that the program has met the approval of the medical profession and also of the public. At a total cost of \$1,331,870, medical treatment has been administered to 36,422 persons in 16,369 families since the inception of the program. A high quality of care has been rendered.

The two outstanding needs with respect to the future of the program appear to be the construction of convalescent centers in areas where the case load is constantly great enough and there is a proven lack of adequate hospital facilities; and the extension of the services of the Association through a joint cooperative effort of the state and federal governments to include a borderline group of persons who are as yet ineligible for neither state, local or agricultural Workers' Health & Medical Association assistance.

These are suggestions for consideration and recommendations for the migratory program in California and Arizona.





Since the Committee has asked for recommendations, an attempt is made to give an outline synopsis of the major specific problems that must be dealt with by the appropriate agencies of the States and the Federal Government. So far as the recommendations in regard to Federal action are concerned, it should be clearly stated that the pressure of time in the preparation of this report has not permitted the necessary clearance and approval of these recommendations by the central Administration in Washington. Consequently, they must be accepted or rejected as personal observations. They have not been officially cleared and therefore, are in no sense a commitment by the Federal Government or an outline for proposed legislative action.

I. Certain basic minimum requirements are needed for the continuation of any human life. These basic requirements are:

1. Adequate housing.
2. Adequate health facilities.
3. Adequate diet.

The present level of income for migratory laborers is not sufficient to meet any of the minimum requirements in these three classifications. Obviously, therefore, the community at large must continue to provide them.

(A) There is no question that there exists a wide gap between the earned and minimum income requirements of the Agricultural workers in Arizona and California. Consequently the State, Federal and Local Governments must cooperate to provide this group of people with housing, possibly in the forms which have become familiar through the program of the Farm Security Administration, specifically; (1) mobile migratory camp units, (2) permanent migratory labor camps, (3) labor homes, and (4) cooperative communities of the type of Mineral King Ranch described above.

(B) Since the present income of large numbers of the migratory labor group in the two States is insufficient to provide adequate health standards,



Facilities must continue to be provided by the appropriate agencies of the Government. Machinery and services provided by the program of the Agricultural Workers' Health and Medical Association seems to be a type of service which can be extended and improved.

(C) Since the wages paid to large numbers of migratory laborers in Arizona and California are insufficient to provide an adequate balanced diet throughout the year, the various agencies must continue to provide for these deficits:

II. To the extent that agriculture in the States of Arizona and California may be regarded as industrial or corporate in its form, then the various instrumentalities which have been created by the present National Administration for improving the conditions of industrial groups should be made available to migratory agricultural workers. For the purpose of determining whether an agricultural operation can or can not be classified as industrial or corporate, it would appear reasonable to take the number of persons appearing on the payroll of such an enterprise as a standard criteria. In general, farm enterprises employing more than 15 workers, at any one time, may be regarded as industrial or corporate. The following statements are not intended to apply to the small individual farm operator whose relations with labor are different from the relations obtaining in industrialized or corporate form of operation.

For such groups of workers, all the facilities made possible by such legislation as the Wages and Hours Act, the Wagner Labor Relations Act, and the various statutes under which the Social Security Board has been established should be applied as well as any other State or Federal statutes applicable to industrial labor insofar as they are applicable to industrialized groups in agriculture.

The time, the place, and the manner of the application of these programs and those statutes are necessarily dependent on the administrative and legislative consideration of the appropriate agencies.

III. Some mention should be made of the conflicts arising between the employers and employed in the two States. Regardless of the merits of this





conflict, it appears obvious that adequate machinery does not exist in either State for the appropriate adjudication of such conflicts. As a result of inadequate machinery, the struggles and conflicts between the employers and employed in the industrialized agriculture of California and Arizona take place in a vacuum.

Adequate arbitration and medication machinery reenforced by adequate state statutes should provide the means by which these two groups conduct their affairs within the framework of society and it is through this type of machinery that the public at large is enabled to participate in settling those conflicts to which it is inevitably a party.

It therefore appears reasonable to expect that the States of California and Arizona should immediately establish boards of arbitration and mediation in accordance with recognized principles which have been developed for this type of quasi-judicial body, for the purpose of arbitrating in the specialized field of industrialized agriculture. It is also obviously necessary that such boards be created against a background of adequate social legislation. This of course, involves the establishment of statutes not now in existence, and adequate enforcement of those statutes now in existence which have for a considerable time in the past not received adequate support. I refer particularly in this instance to the work of the California State Department of Immigration and Housing which, although created by statute, has for a number of years been unable to function efficiently because of the lack of funds and personnel with which to carry out its statutory responsibilities.

IV. Mention should, also be made of the fact that the wages paid to the Agricultural worker group in the two States are far below any decent standard of American life. The conclusion may be reached that the wage rates paid are based not on the ability of the industry to pay better wages, but rather on the fact that one group, the employers, is more powerful and better organized than the other group, namely the workers who are practically defenseless. An often repeated





statement to the effect that the industry can not pay higher wages would appear to be lacking in real significance.

A similar statement to the effect that the wages paid Agricultural labor in the two States are higher than that paid in other areas of the country, would seem to be a rather unrealistic excuse, in view of the wretched living conditions of Agricultural labor in both States.

Labor is one of the factors of production in industrial Agriculture, along with several other factors. The proprietors of these other factors are not asked to subsidize the industry, and there seems to be no logical reason why Agricultural labor should take up the slack. Obviously, the industry can not expect, for instance, a Power Company to accept a rate for power which would force such a company to operate to the verge of bankruptcy. Neither the management of a Power Company or the stockholders would permit such a condition to exist. Consequently, the statement that the industry can not pay higher wages can not be accepted in good faith if labor is to be regarded as one of the factors of production of this major industry. The public interest demands that greatly increased wages be paid by the employers of agricultural labor in California and Arizona, and that the employer group take much greater responsibility for stabilizing the conditions of agricultural employment. It does not seem either right or just that any industry should expect to be subsidized by the tax payers and by the employees to the extent that agriculture in California and Arizona is now subsidized.

The second statement that the wage scales for Agriculture in California are higher than those paid under similar conditions elsewhere, seems unrealistic due to the fact that similar conditions do not exist elsewhere. Industrialized Agriculture in California and Arizona, is unique and the wage rates must be considered against the background of the conditions as they exist in the areas of the two States.



